| SUBJECT: 1997 DORAL Display Header Enhancement Program 222 1223 1226 1229 | | | | Sales | Para 0 |
|--|-----------------|-------------------|----------------------|---|--|
| SUBJECT: 1997 DORAL Display Header Enhancement Program 1222 1223 1226 1226 1229 | FSC-83-B | | 5/14/97 | | Retail |
| DISTRIBUTION: 1223 1226 | SUBJECT: 1997 D | ORAL Display Head | der Enhancement Prog | | |
| X AVP X KAM X DM 1225 HOM X RSM X AM X RM 1225 HOM RSM RSM | | | | | |
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| X RSM X AM X RM 1220 PC SC SC X RBM X AE Sales Rep 1229 MC PA RSM RSM RBM RSM RBM | X AVP | X KAM | X DM | | |
| X RBM X AE Sales Rep 1229 MC PA X ROM Retail Rep 1240 RSM RBM | X RSM | X AM | X RM | *************************************** | () |
| X ROM Retail Rep 1240 RSM RBM | X RBM | X AE | Sales Rep | | |
| TOW COM | X ROM | | Retail Rep | 1240 | - (WIO) PA |
| | | | | 1244 | RSM RRM |
| | | | | | ·- · · · · · · · · · · · · · · · · · · |

Objective: Improve the in-store impact of DORAL's quality leadership image projecting "Big Brand" presence on current DORAL displays for immediate and long-term brand growth. Strategy: Utilize an Enhancement 3-D Header (see Attachment A) that does not require electricity on DORAL pack displays to improve/maximize the instore communication of DORAL's quality leadership image. Rationale: Pack outlets present the best opportunity for DORAL to influence competitive trial.

| | DORAL's SOM performance is positively impacted by favorable |
|--|---|
| | merchandising conditions. |
| | In stores with 2 FP displays, over 70% of current contracts, |
| | DORAL's merchandising impact is diminished because of primary |
| | placement preference given to full price displays, pushing |

DORAL further into the retail clutter.

Features: New 3-D Header Features

| Available in two sizes, 6 wide & 9 wide. |
|---|
| 6 wide Header easily retrofits onto existing DORAL 6 tray display unit. |
| 9 wide Header easily retrofits onto existing DORAL 9 tray display unit and SYSTEM III displays. (Note: When utilized on SYSTEM III, a Header adapter kit will be required.) |
| New 3-D Headers offer the added benefit of low maintenance as they will not require future POS changeovers. |
| The top of the Header is arroyed with a recessed arinner that |

- The top of the Header is grooved with a recessed gripper that runs the entire length of the Header. This will allow starburst or other POS pieces to be placed to effectively communicate our "Special Offer" price. Existing price roll-dials should also be used to communicate DORAL's everyday competitive price.
- Installation/retrofit should require no more than 5-10 minutes.

What Needs To Be Accomplished

| | Retrofit as many DORAL displays as possible with the new DORAL Enhancement Headers during June and July prior to the August launch of WINSTON's repositioning. | | | | |
|--------------|--|---|--|--|--|
| | Begin retrofitting DORAL displays in high volume level II & III merchandising partners according to the following priorities: | | | | |
| | 1. | Replace current 6 & 9 wide DORAL display Headers with new 3-D Headers. | | | |
| | 2. | Replace SYSTEM III units with new 3-D Headers where: - Currently a small 24" card or transparency is being utilized Currently a large 19" card is being utilized. | | | |
| replac | NOTE cement. | SYSTEM III units that currently have a large 19" transparency Header and the unit is continuously lighted, use your judgment as to Our key replacement priorities are #1 and #2 stated above. | | | |
| <u>Hardy</u> | vare De | <u>tails</u> | | | |
| There | are thre | e (3) parts you will need to order to retrofit existing DORAL displays: | | | |
| 6 Tray | / DORA | _ Display 9 Tray DORAL Display | | | |
| | | #530453 | | | |
| SYST | EM III U | <u>nits</u> | | | |
| De Dro | escription Ander Item | #531701 n: 9-Wide Enhanced Header L SO #531812 : Header Adapter Kit | | | |
| Alloca | tion Ra | <u>tionale</u> | | | |
| □ the | Allocation (see Attachment B) were determined based upon 50% coverage of estimated number of DORAL displays per region. 50% coverage is due to current resource constraints (Field Sales time and Brand Budgets). | | | | |
| | Allocations were calculated by applying the percentage of level II & III contracts by region to the number of 6-Tray, 9-Tray, and SYS III displays that have been ordered by each region using historical shipment data. | | | | |

<u>Availability</u>

| | approximatel NOTE: Head | nt Headers will y 50% of existi er quantities w ning June 2 th week) | ing DORAL iill be availat | displays. ole for ship | oment e | ach week | | |
|---|--|--|---------------------------|---------------------------|------------------------|---------------------------|--|--|
| | Additional Enhancement Headers will be produced for the remaining DORAL displays/SYSTEM III in 1998. (Quantities to be determined later this year bas on Field Sales input). | | | | g DORAL s year base | ed | | |
| | Additional co | or copies of th | e new head | er are ava | iilable th | rough you | ır ROU. | |
| Recor | mmended Exe | cution Planni | ng | | | | | |
| | below are son ng. Use your j | | | | | | your | |
| | Retrofit displays in major chains before implementing in smaller chains and independent accounts. | | | | | | | |
| | Rollout retrofit implementation by division to take advantage of staggered | | | | | | | |
| | materials availability. ROM's should provide a list of initial target stores to be retrofitted by sales territory to aid in implementation planning. | | | | | | | |
| New S | tores | | | | *. | | $\frac{\partial \mathcal{L}_{ij}}{\partial x_{ij}} = \frac{\partial \mathcal{L}_{ij}^{(i)}}{\partial x_{ij}} + \frac{\partial \mathcal{L}_{ij}}{\partial x_{ij}} + \frac{\partial \mathcal{L}_{ij}^{(i)}}{\partial x_{ij}} + \frac{\partial \mathcal{L}_{$ | |
| | with the 3-D E | s should utilize Enhanced Hea e new Enhanc | der. (6 tray | & 9 tray di | le displa isplays d | ay or 9 wid ordered af | e display ter June 2 | |
| We continue to be convinced that these displays offer us more flexibility, both short term and long term, as well as allows better price communication when roll dial pricer is utilized. | | | | | | ne | | |
| Program Contacts: | | Sharon Reid, Ron Grout, ex | | | | | | |

R. J. REYNOLDS TOBACCO COMPANY